(Rs. crore)

Name of the major Oil PSUs	Profit After Tax			Dividend Paid (including dividend tax)		
	2004-05	2005-06	2006-07	2004-05	2005-06	2006-07
ONGC	12983.05	14430.78	15642.92	6480.00	7316.70	7643.00
HPCL	1277.33	405.63	1571.17	580.15	116.08	708.55
BPCL	965.80	291.65	1805.48	581.87	262.97	350.11
GAIL	1954.00	2310.00	2387.00	769.03	964.25	969.27
OIL	1061.68	1689.93	1639.99	389.64	646.65	639.21
IOCL	4891.38	4915.12	7499.47	2707.35	1331.82	2468.93

(c) The amount of under recoveries of oil marketing companies on sale of sensitive petroleum products, *i.e.* petrol, diesel, PDS kerosene and domestic LPG are given as under:

(Rs. crore)

	2004-05	2005-06 (Prov.)	2006-07 (Estimated)
Under recovery	20146.00	40000.00	49387.00

(d) Yes, Sir.

(e) Does not arise.

Price stabilization fund

1003. SHRI PRASANTA CHATTERJEE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have accepted the recommendation of the Parliamentary Standing Committee on Petroleum and Natural Gas to form Price Stabilization Fund with the money collected through cess on crude oil produced by ONGC and OIL;

(b) if not, whether Government will review again in view of present hike in crude price and its impact on Public Sector OMCs; and

(c) if not, the reasons, therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) The Government has considered the recommendation of the Parliamentary Standing Committee on Petroleum and Natural Gas to form Price Stabilization Fund with the money collected through cess on crude oil produced by ONGC and OIL. Government has been taking all possible measures to ensure that there is no hardship to common man on account of high international

oil prices. Government has adopted the principle of equitable burden sharing amongst three stakeholders, namely, the consumers, the PSU oil companies and the Government, to protect the interest of the common man and the vulnerable sections of society. In this context, Government has issued oil Bonds to the extent of Rs. 11,500 crore and Rs. 24,121 crore during the years 2005-06 and 2006-07 respectively to OMCs as part of compensation for the under recoveries incurred by them on domestic sale of sensitive petroleum products. Accordingly, the purpose sought to be served through Price Stabilization Fund is met through existing arrangements.

Gas source for Dadri Power Plant

1004. SHRI AMAR SINGH:
SHRI ABU ASIM AZMI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact the RNRL has claimed that gas produced from RIL's D6 Block KG Basin gas reserve is its source for REL's proposed Dadri Power Plant in U.P.; and

(b) if so, what is Government's reaction in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (b) Government is not a party to the agreement, if any, signed between RIL and RNRL. In terms of Production Sharing Contracts (PSCs) signed by the Government under NELP regime, the operators have freedom to market gas within India including U.P.

Cost sharing agreement for D6 block KG basin

1005. SHRI AMAR SINGH:
SHRI ABU ASIM AZMI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the percentage of profit and capital as per cost sharing agreement signed between the private contractor and Government in D6 Block KG Basin;

(b) whether any increase in capital cost proposed by the private contractor result in proportionate increase in the profit being shared by Government; and

(c) if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) As per the terms of Production Sharing Contract (PSC), the capital required for exploration and development in the block is to be invested by the contractors and not by the Government.

Share of Profit to Government depends on investment multiple which is the ratio of cumulative net cash income of the contractor and cumulative exploratory and development investment. The Government share varies from 10% to 85% of the Profit Petroleum depending on the investment multiple.